

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT**

**In re
JORDAN A HOUSTON**

**CASE NO. 23-10078
CHAPTER 13**

Debtor

**JORDON A HOUSTON
Plaintiff**

vs.

**NATIONAL COLLEGIATE STUDENT LOAN
TRUST 2005-3
NATIONAL COLLEGIATE STUDENT LOAN
TRUST 2006-1
NATIONAL COLLEGIATE STUDENT LOAN
TRUST 2006-2
NATIONAL COLLEGIATE STUDENT LOAN
TRUST 2006-3
NATIONAL COLLEGIATE STUDENT LOAN
TRUST 2007-1**

ADV. PRO. CASE NO:

Defendant

**Debtor's Complaint to Determine Private Student Loans Discharged
For "Undue Hardship" under 11 U.S.C. § 523(a)(8)**

Nature of Action

1. This is an adversary proceeding by which the Debtor seeks a declaration that private student loans constitute an undue hardship for the Debtor and should be discharged pursuant to section 523(a)(8) of the Bankruptcy Code.

Jurisdiction and Venue

2. On May 7, 2023, the Debtor filed a voluntary petition in the United States Bankruptcy Court for the District of Vermont for relief under 11 U.S.C. § 1328, Chapter 13 of the Bankruptcy code.
3. The Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 1334 and 157(a).
4. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. Venue is proper in this district pursuant to 28 U.S.C § 1409.

Parties

6. Plaintiff, Jordan A Houston, is the Debtor in the above captioned case. She is the recipient of private student loans and is a resident of East Calais, Vermont.
7. Defendants National Collegiate Student Loan Trusts (NCSLT) 2005-3, 2006-1, 2006-2, 2006-3, and 2007-1 are Delaware Statutory Trusts and are holders of the loans at issue.

Factual Allegations

8. NCSLT 2005-3 owns a loan with a balance of \$60,815.26 as of March 23, 2021.
9. NCSLT 2006-1 owns a loan with a balance of \$18,950.72 as of March 23, 2021.
10. NCSLT 2006-2 owns a loan with a balance of \$5,715.19 as of March 23, 2021.
11. NCSLT 2006-3 owns a loan with a balance of \$29,400.82 as of March 23, 2021.
12. NCSLT 2007-1 owns a loan with a balance of \$59,205.43 as of March 23, 2021.
13. All trusts sued and secured a judgment against Plaintiff on March 23, 2021.
14. The total amount owed between the five trusts is \$174,087.42.
15. Interest accrues at 12% pursuant to Vermont law, which is equal to \$1,740.87 a month.
16. Despite her best efforts, Plaintiff is unable to afford a minimum payment towards these judgments that would cover both the accrued monthly interest and principal.
17. These loans do not have any of the programs available that Federal loans have, such as payments based on income, disability discharge, or death discharge.
18. These loans do not have any ability to cure a default like Federal loans.
19. Houston has made good faith attempts to make payment.
20. Houston is the wife to a disabled veteran and is the sole income earner for the household.
21. Houston is the mother of two young children.
22. Houston suffers from panic attacks and ADHD. This debt has caused her sleepless nights and days of being unable to eat.
23. Houston has minimized her expenses as best possible.
24. Houston has maximized her income as best possible with her degree and the economic climate, as well as mental conditions.

25. Houston's income is not likely to increase quickly enough to overcome the 12% interest on the judgments. Nor will Houston's income ever be enough to afford these loans.
26. Houston's budget is upside down at the end of the month.
27. Even with the discharge of her small credit card balance at the end of this bankruptcy, her budget will still be negative as her federal loans come due in September.
28. NCSLT loans represent an undue hardship to Houston.

Claim for Relief: Undue Hardship Discharge

29. The Debtor repeats and realleges the allegations contained in paragraphs 1 through 27 of this Complaint as if fully set forth herein.
30. The repayment of private student loans made to Houston would be an undue hardship to her.
31. As a result, her private student loan obligations should be discharged pursuant to Bankruptcy code section 523(a)(8).

WHEREFORE, the Debtor requests a judgment determining that her private student loans are discharged pursuant to Bankruptcy Code section 523(a)(8).

Dated June xx, 2023

Respectfully Submitted,
JORDAN A HOUSTON
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/s/Joshua Cohen
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